Pubs call for 'swift and meaningful' reform as number of boozers falls below 39,000

A leading pub group has urged for "swift and meaningful" reform to business rates, following new data revealing that the number of pubs in England and Wales has dropped below 39,000 for the first time this year. The figures, analysed by commercial real estate specialists at Altus Group, show that 412 pubs were either demolished or repurposed over the year to December.

The total number of pubs, including those vacant and up for lease, fell to 38,989. An average of 34 pubs per month closed permanently over the year, marking an acceleration in the rate of pub closures, as reported by <u>City AM</u>.

This decline is the most significant since 2021 when the sector was severely impacted by pandemic restrictions and soaring energy costs. Since the beginning of 2020, UK pub numbers have decreased by over 2,000.

These latest figures emerge against a backdrop of rising costs and cautious consumer spending due to increased mortgages and rents. From April next year, several policies from Rachel Reeves's autumn <u>Budget</u> are set to come into effect, which are expected to significantly increase costs for many pub operators.

Emma McClarkin, CEO of the British Beer and Pub Association, highlighted that brewers and pubs "pour billions into the economy and support more than a million jobs". She called on ministers to take action to alleviate the impending financial burden facing the nation's local pubs.

"For the sector to remain a stalwart of the economy and

continue to be the beating heart of our communities, the <u>Government</u> must swiftly deliver permanent and meaningful business rate reforms," she said. "We stand ready to help the Government bring in sorely-needed change that will break down the barriers that stop our sector from contributing even more to the economy and employing more people than ever before."

The latest figures revealed that London saw the most significant drop in pub numbers in 2024, with a decrease of 55 to 3,470 by year's end.

In the West Midlands, pub numbers fell by 53 to 3,904. Alex Probyn of Altus Group expressed the concerns of many publicans: "Many publicans that I speak to are extremely worried that this could be their last Christmas given the combination of hiking the amount employers will have to pay in National Insurance, increases to the minimum wage and the business rates discount being slashed from 75 per cent to 40 per cent in 2025."

"Many pubs simply will no longer be viable making plots even more attractive for alternative investment."

Additional reporting by PA

Like this story? Why not <u>sign up</u> to get the latest business news straight to your inbox.